

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 BY REQUEST OF THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

5
6 A BILL FOR AN ACT ENTITLED: "AN ACT STATUTORILY APPROPRIATING DRUG REBATE REVENUE TO
7 THE DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES FOR THE MONTANA MEDICAID
8 PROGRAM AND FOR MENTAL HEALTH SERVICES FOR HOUSEHOLDS NOT ELIGIBLE FOR MEDICAID;
9 AMENDING SECTION 17-7-502, MCA; AND PROVIDING AN EFFECTIVE DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12

13 NEW SECTION. **Section 1. Outpatient drug rebate revenue -- statutory appropriation.** (1) Except
14 as provided in [section 2], the state of Montana's share of outpatient drug rebate revenue recovered
15 pursuant to the Social Security Act, 42 U.S.C. 1396r-8, must be deposited in an account in the state
16 special revenue fund to the credit of the department. The account is statutorily appropriated, as provided
17 in 17-7-502, to the department to be used as provided in subsection (2).

18 (2) Funds deposited in the account created in subsection (1) may be used only for the purpose
19 of implementing the Montana medicaid program established in 53-6-101. At the end of each fiscal year,
20 the unexpended account balance must carry forward to the next fiscal year and may not revert to the state
21 general fund.

22

23 NEW SECTION. **Section 2. Mental health drug rebate revenue -- statutory appropriation.** (1) All
24 drug rebate revenue collected by the department pursuant to the administration and supervision of mental
25 health services for individuals and households not eligible for medicaid must be deposited in an account
26 in the state special revenue fund to the credit of the department. The account is statutorily appropriated,
27 as provided in 17-7-502, to the department to be used as provided in subsection (2).

28 (2) Funds deposited in the account created in subsection (1) may be used only for the purpose
29 of implementing mental health services for individuals and households not eligible for medicaid, as provided
30 in 53-6-131(10). At the end of each fiscal year, the unexpended account balance must carry forward to

1 the next fiscal year and may not revert to the state general fund.

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3 **Section 3.** Section 17-7-502, MCA, is amended to read:

4 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory
5 appropriation is an appropriation made by permanent law that authorizes spending by a state agency
6 without the need for a biennial legislative appropriation or budget amendment.

7 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply
8 with both of the following provisions:

9 (a) The law containing the statutory authority must be listed in subsection (3).

10 (b) The law or portion of the law making a statutory appropriation must specifically state that a
11 statutory appropriation is made as provided in this section.

12 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 3-5-901;
13 5-13-403; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-23-706; 15-31-702;
14 15-34-115; 15-35-108; 15-36-324; 15-37-117; 15-38-202; 15-65-121; 15-70-101; 16-1-404;
15 16-1-406; 16-1-411; 17-3-106; 17-3-212; 17-3-222; 17-6-101; 17-7-304; 18-11-112; 19-3-319;
16 19-6-709; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 20-8-107;
17 20-26-1503; 22-3-1004; 23-5-136; 23-5-306; 23-5-409; 23-5-610; 23-5-612; 23-5-631; 23-7-301;
18 23-7-402; 37-43-204; 37-51-501; 39-71-503; 42-2-105; 44-12-206; 44-13-102; 50-4-623; [section 1];
19 [section 2]; 53-6-703; 53-24-206; 67-3-205; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; 77-1-505;
20 80-2-222; 80-4-416; 80-11-518; 81-5-111; 82-11-161; 87-1-513; 90-3-1003; 90-6-710; and 90-9-306.

21 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,
22 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued
23 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of
24 Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as
25 determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the
26 bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to
27 sec. 7, Ch. 567, L. 1991, the inclusion of 19-6-709 terminates upon death of last recipient eligible for
28 supplemental benefit; pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1,
29 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of
30 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability

1 is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1,
2 2014; and pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, the inclusion of 15-35-108 and 90-6-710
3 terminates June 30, 2005.)"

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5 NEW SECTION. **Section 4. Codification instruction.** [Sections 1 and 2] are intended to be codified
6 as an integral part of Title 53, chapter 6, part 1, and the provisions of Title 53, chapter 6, part 1, apply
7 to [sections 1 and 2].

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9 NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2001.

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